Introduction

Indiana is not homogeneous and different parts of the state have different strengths and opportunities. Recognizing this, the Indiana Department of Commerce (IDOC) announced a regional approach to the delivery of economic development services late in 2002, following a study by Market Street Services on the best practices for economic development in today's changing economy. The twelve multi-county regional offices were established in 2003 to place representatives from the Indiana Department of Commerce closer to their constituents and to begin to build the regional partnerships that are needed to grow the local economy and strengthen the state. In the first year, there was already evidence that this approach increased the awareness of and utilization of state programs by local businesses, while providing state officials with a clearer understanding of the needs of each region.

Advisory Councils were formed in each region to serve as steering committees for planning and to provide feedback and recommend suggestions to the Regional staff. To ensure coordination in their planning efforts statewide, the Indiana Department of Commerce engaged the Indiana Economic Development Council (IEDC) to direct and manage a regional planning process in conjunction with efforts also underway to update the Statewide Plan for Economic Development. This partnership will result in plans that are inter-related at the state and regional levels and help to ensure that the tools and engagement necessary for implementation are in place.

Indiana is standing at a critical juncture in its history with choices that can guarantee Hoosiers a strong economy and a good quality of life. In the state and regional plans, known collectively as A New Path to Progress, decision makers at all levels will find the policy recommendations that lead to that better future. The Indiana Economic Development Council is proud to be a partner in this effort, along with our team member the Ball State University Center for Economic and Community Development. We want to express our gratitude to the many individuals in Region 7 who have contributed so extensively to this planning process and to the many other economic development efforts across the region that were examined to insure that the Commerce Region 7 staff is positioned to provide the most needed services and leadership to the businesses and residents of this region.

In 2005, the IDOC elected to reduce the number of regions from twelve to five. We believe that the work presented in these regional reports will be more critical than ever in assisting the Commerce staff and policy makers in these larger regions as they seek to strengthen their local economy.
Greetings!

Since its inception in March of 2003, the Indiana Department of Commerce Region 7 office has been adapting to its business environment and “learning its way.” Since that time, the region has handled literally thousands of inquiries, be they by phone, website, e-mail, or in person. We have delivered economic and community development services (both financial and technical), along with our partners in Boone, Hamilton, Hancock, Hendricks, Johnson, Madison, Marion, Morgan and Shelby Counties which have empowered companies, communities, and citizens to act locally to be competitive globally.

Region 7 is unique in that the nine counties representing central Indiana have in excess of 25 percent of the state’s population and workforce and over 28 percent of the businesses. This region includes the State Capitol, Indianapolis, and is the economic driver and business focal point of the State. Because of this concentration of business and the related workload, Region 7 has worked diligently to respond to the needs of businesses and to assist with their growth and expansion in this area. During this process, the Region staff has developed very close working relationships with local economic development organizations as well as professional relationships with site consulting firms to assist in the delivery of state and local programs.

It is time to build on what has been created to date. This strategic plan is a step towards that goal. We have tried to include a large cross-section of people in this process. We knew as we embarked upon this effort, that there was no lack of existing plans in this area. There is an abundance of economic development organizations and efforts underway in the Central Indiana area. Our challenge was to be inclusive of these organizations and their plans, while creating a strategy appropriate for Region 7.

We hope that has been accomplished. As with all plans, past and future, this is just one photo in time. We will continue to review, evaluate, and make adjustments as we actively seek input. The partnerships we build will ultimately lead us to the success we all are striving for, growth and prosperity for all citizens of Indiana.

Sincerely,

Scott Fulford
Director, Region 7, 2004
Indiana Department of Commerce  
Region 7  
Economic Development Strategy  

Executive Summary  

The Indiana Economic Development Council (IEDC) and the Indiana Department of Commerce (IDOC) have been working in partnership to create a new state economic development strategy and an individual strategy for each IDOC region. In each region the IDOC Regional Advisory Council (RAC) served as the process Steering Committee. The Region 7 Advisory Council has 22 members representing small and large businesses, government, education, economic development, tourism and utilities.  

The Indiana Economic Development Council has identified seven key drivers of the state economy, which have served as the basis for the planning process.  

- Globalization  
- Thinking Regionally  
- Business Innovation  
- Workforce/Education  
- Smart Government  
- Infrastructure  
- Quality of Life  

The Region 7 Council held three planning sessions during which the members reviewed regional economic and demographic information provided by Purdue University and the Indiana Business Research Center and participated in a regional strengths, weaknesses, opportunities and threats analysis. In addition to the work of the Advisory Board, in-depth input was gathered through surveys, focus groups, individual interviews and a public meeting. Guided by all information gathered, the Region 7 Advisory Council set the following seven goals – one for each economic driver:  

1. Create an education and technical assistance network that will enable the region's current and future businesses to increase their competitiveness in the global economy.  
2. Strengthen the coordination and collaboration among Region 7 communities and revitalize the commitment to a regional economic development approach.  
3. Spur a regional movement to embrace and reward innovation in existing businesses and new business creation.  
4. Build an education and workforce development system that fully prepares people for employment in an ever-changing, increasingly technological, global economic environment.  
5. Create collaborative relationships between government and the private sector to help streamline regulatory processes and maximize the effectiveness of government services.  
6. Develop the infrastructure necessary for businesses to maintain a competitive advantage in the national and global marketplace.  
7. Develop a region-wide quality of life that appeals to the new economy worker and enriches the lives of current and future residents.
Region 7 is comprised of eight counties that form the Indianapolis Metropolitan Statistical Area (MSA) Boone, Hamilton, Hancock, Hendricks, Johnson, Morgan, Shelby and Marion, location of the state capitol, Indianapolis, plus Madison County now designated the Anderson MSA.

The region sits in the center of Indiana and is the crossroads for all the state's major highways. I-70, I-65, I-74, and I-69 all pass through the City of Indianapolis and are connected to each quadrant of the state via I-465, which encircles the city. The extension of I-69 to Evansville will provide the fifth spoke on the wheel.

The City of Indianapolis is the region's primary economic hub with a population of 793,430. The City of Anderson in Madison County is the secondary hub. The region's communities are diverse. Marion County/Indianapolis is highly urbanized and the most densely populated. The surrounding counties are very much a mix of urban, suburban, and rural. Many of the surrounding counties could be described as primarily rural with some well-developed cities and towns. Several of the counties are fast growing urban/suburban counties but still have some very rural communities.
Profile of Region 7

Region 7 has numerous assets that provide the foundation for diversifying and growing the regional economy and improving the quality of life. Those assets include professional sports teams, the Indianapolis Motor Speedway, a strong foundation of life sciences businesses and the supporting infrastructure and an increasingly cosmopolitan capital city. The region is home to major employers such as Eli Lilly Co., Clarion Health Partners, Anthem, Rolls-Royce Allison, the State of Indiana and IUPUI and boasts an economic development support network that includes the Indy Partnership, the Central Indiana Corporate Partnership (CICP) and the BioCrossroads initiative.

In 2003 Region 7, the largest and fastest growing region in the state, had a population of 1,674,493. Between 1990 and 2000 the region grew by 16.4 percent, significantly more than the state's rate of 9.7 percent. The largest population growth occurred in Hamilton County – the fastest growing county in the state.

The 2004 unemployment rate in Region 7 was equivalent to the state's at 4.9 percent. Per capita personal income in 2002 was $32,588 compared to the state at $28,032. Hamilton County boasted the highest at $42,891, while Madison County the lowest at $26,005.

In 2003, the region's largest economic sectors, in terms of numbers employed, were Manufacturing at 12 percent, Health Care and Social Services at 12 percent followed by Retail Trade at 11.0 percent. These sectors account for 35 percent of the region's employment. Region 7 has a more diverse economy than the state which has 20.3 percent of the workforce in manufacturing. The state shares the same top three sectors vis-à-vis employment.

Regarding income, the manufacturing sector has average earnings of $70,460, the highest in the region. Wholesale trade has the second highest average earnings of $58,281 followed by Professional and Technical Services at $57,592 per job. Health Care and Social Services has average earnings of $39,997 and Retail Trade stands at $24,187.

Region 7 has a strong history of regional planning including a 42 county cluster analysis, *Nurturing Central Indiana’s Pillar Industries for 21st Century Midwestern Pre-Eminence*, commissioned by the CICP and conducted by the Battelle Memorial Institute and the *Midwest Portal: Comprehensive Economic Development Strategy for Central Indiana* prepared by the Indiana Economic Development Council. This plan supports the findings and incorporates several of the strategies and recommendations made in these plans.
Region 7 Cluster Analysis

Over the last ten to fifteen years, cluster analysis has emerged as a new way of looking at economic development, integrating regional differences in development and economic specialization. By adopting a cluster strategy, states and regions can maximize their competitive advantage in existing industries and build new strengths in the emerging industries that will replace older, declining sectors.

A cluster is “a geographic concentration of competing and complimentary or inter-dependent companies that do business with each other and/or have common needs for talent, technology and infrastructure”.

Indiana has had a head start in developing business and industry based cluster strategies for economic development. Several studies, including the plan published by the Indiana Chamber of Commerce, have already taken place around the state. The study carried out in Region 7, under the auspices of the CICP, resulted in an early targeting of four clusters for further development: Life Sciences, Advanced Logistics, Advanced Manufacturing and Information Technology.

Fourteen potential clusters were studied during the current process of creating the state economic plan. The same fourteen clusters that were studied for the State of Indiana as a whole were also examined for Region 7 and each of the remaining 11 IDOC regions. Owing to issues of data suppression for confidentiality reasons at the regional and local level, and to issues regarding the switch from SIC to NAICS codes, the regional cluster analyses have been conducted using a slightly different data sequence from the state analysis. Regional clusters have been studied for the period 2001-2003 (third quarter data).

Because of the short, three year time period this analysis should be seen as a snapshot of the regional economy and does not necessarily indicate long-term trends. Subsequent analyses will be needed to expand this time series and improve knowledge about trend directions in the regional clusters. The analysis of Region 7’s cluster data nevertheless reveals some important points about the regional economy.

The fourteen clusters are:

1. Advanced Business Services
2. Advanced Logistics
3. Advanced Manufacturing
4. Advanced Materials
5. Agribusiness, Food Processing and Technology
6. Arts, Entertainment, Recreation, and Visitor Industries
7. Biomedical/Biotechnical (Life Sciences)
8. Chemicals
9. Earth Products
10. Educational Services
11. Environmental Technology
12. Forest and Wood Products
13. Information, Communications, and Media
14. Information Technology
In Region 7, these clusters were analyzed from several perspectives over a three year period, including total employment, employment growth, wages and the growth in concentration in each cluster relative to the growth of those same clusters nationally. Chart 1 shows the size of employment in each of Region 7’s clusters, the degree to which employment in each cluster is concentrated in the area (compared to the nation) by the size of its location quotient, and the percent change in the size of the location quotients over the period 2001 to 2003.

**Chart 1 – Cluster Employment Concentration**

<table>
<thead>
<tr>
<th>Cluster Category</th>
<th>Location Quotients</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stars</td>
<td>2.50</td>
<td>10.0%</td>
</tr>
<tr>
<td>Mature</td>
<td>2.00</td>
<td>5.0%</td>
</tr>
<tr>
<td>Trans.</td>
<td>1.50</td>
<td>0.0%</td>
</tr>
<tr>
<td>Emerg.</td>
<td>1.00</td>
<td>-5.0%</td>
</tr>
</tbody>
</table>

Source: IEDC and Purdue University Cooperative Extension Service, with data provided by Indiana Business Research Center, 2004

A cluster can be categorized by the growth of its employment specialization. A “Star” cluster is one that is already specialized and is becoming even more concentrated. A “Mature” cluster refers to those that are specialized but are currently becoming less concentrated. The “Emerging” clusters are defined as those that are currently not specialized, but are becoming more concentrated in their particular grouping. The “Transforming” clusters are not specialized, and appear to be decreasing in concentration. In using these categorizations, however, it is important to note that the relative position of clusters can change in the short term.
Table 1 – Region 7 Changes in Employment and Concentration

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total, all industries</td>
<td>841,266</td>
<td>-1.1%</td>
<td>1.00</td>
<td>0.0%</td>
<td>36,254</td>
</tr>
<tr>
<td>Specialized, Increasing Concentration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advanced Materials</td>
<td>21,326</td>
<td>1.6%</td>
<td>1.94</td>
<td>18.1%</td>
<td>68,950</td>
</tr>
<tr>
<td>Chemicals</td>
<td>27,149</td>
<td>1.4%</td>
<td>1.68</td>
<td>8.6%</td>
<td>61,224</td>
</tr>
<tr>
<td>Advanced Manufacturing</td>
<td>53,277</td>
<td>-13.8%</td>
<td>1.22</td>
<td>0.4%</td>
<td>51,815</td>
</tr>
<tr>
<td>Advanced Business Services</td>
<td>72,959</td>
<td>0.5%</td>
<td>1.09</td>
<td>1.6%</td>
<td>50,946</td>
</tr>
<tr>
<td>Specialized, Decreasing Concentration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advanced Logistics</td>
<td>40,976</td>
<td>-8.4%</td>
<td>1.62</td>
<td>-3.8%</td>
<td>35,714</td>
</tr>
<tr>
<td>Biomedical/Biotechnical (Life Sciences)</td>
<td>118,611</td>
<td>4.2%</td>
<td>1.14</td>
<td>-0.5%</td>
<td>44,428</td>
</tr>
<tr>
<td>Not Specialized, Increasing Concentration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information, Communications and Media</td>
<td>19,700</td>
<td>-6.7%</td>
<td>0.85</td>
<td>7.1%</td>
<td>43,362</td>
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<tr>
<td>Arts, Entertainment, Recreation and Visitor Industries</td>
<td>25,338</td>
<td>0.3%</td>
<td>0.83</td>
<td>0.6%</td>
<td>25,658</td>
</tr>
<tr>
<td>Forest and Wood Products</td>
<td>14,906</td>
<td>0.9%</td>
<td>0.81</td>
<td>4.0%</td>
<td>32,405</td>
</tr>
<tr>
<td>Information Technology</td>
<td>29,970</td>
<td>-8.2%</td>
<td>0.76</td>
<td>6.2%</td>
<td>55,657</td>
</tr>
<tr>
<td>Environmental Technology</td>
<td>7,896</td>
<td>-0.4%</td>
<td>0.75</td>
<td>0.6%</td>
<td>44,545</td>
</tr>
<tr>
<td>Earth Products</td>
<td>4,260</td>
<td>-6.5%</td>
<td>0.73</td>
<td>2.1%</td>
<td>46,618</td>
</tr>
<tr>
<td>Not Specialized, Decreasing Concentration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Educational Services</td>
<td>15,470</td>
<td>5.1%</td>
<td>0.67</td>
<td>-0.1%</td>
<td>35,244</td>
</tr>
<tr>
<td>Agribusiness, Food Processing and Technology</td>
<td>10,835</td>
<td>-3.1%</td>
<td>0.54</td>
<td>-0.1%</td>
<td>41,153</td>
</tr>
</tbody>
</table>

Source: Indiana Economic Development Council and Purdue University Cooperative Extension Service, from third quarter CEW (Covered Employment and Wages) data supplied by the Indiana Business Research Center, January 2005

Region 7 had four clusters in the “Star” category from 2001 to 2003: Advanced Materials, Chemicals, Advanced Manufacturing, and Advanced Business Services.

- The Advanced Materials cluster, in part a sub-cluster of the Advanced Manufacturing cluster, is twice as concentrated in the region compared to the nation. This concentration has increased by 18.1 percent over the period and Region 7 has a positive regional share advantage. In the state plan the Advanced Materials cluster has been targeted as a growth cluster. It is an important driver of the Region 7 economy that provides over 21,300 jobs in the region -- many of them are high tech, high wage jobs. The greatest strengths of the Advanced Materials cluster in Region 7 lie in pharmaceuticals and medicine manufacturing, agricultural and other chemicals, as well as ferrous and non-ferrous metal industries.

- Identification of a Chemicals cluster provides an alternate way to focus on a somewhat different mix of related manufacturing industries. The Chemicals cluster in Region 7 employed about 27,150 people in 2003. The cluster’s concentration has grown from 2001 to 2003. Areas of employment concentration in the Chemicals cluster in Region 7 include rubber and plastics products (such as urethane foam), glass products, and pesticides, in addition to medicines and pharmaceuticals. Chemicals and pharmaceuticals are important engines of economic growth for Region 7 and the state as a whole. It is an important cluster to target for growth as it brings many high technology, high wage jobs to the region. In fact, jobs in the Chemicals cluster pay more in Region 7, where the average wage is 127 percent of the national average per capita wage for that cluster.
Advanced Manufacturing continues to serve as an important cluster for Region 7. This cluster employs almost 53,300 people. During the study period, the cluster lost almost 14 percent of its jobs; however it remains strongly concentrated due to even bigger declines in Advanced Manufacturing at the national level. Employment is highly concentrated in the following sectors in Region 7’s Advanced Manufacturing cluster: Ferrous and non-ferrous metal processing; hardware manufacturing; heavy gauge metal tanks; coating, engraving and heat treating metal industries; sawmill and woodworking machinery, HVAC and commercial refrigeration equipment, turbine and power transmission equipment, audio and video equipment and transportation equipment manufacturing.

Region 7 is the only region in Indiana where the Advanced Business Services cluster is categorized as a “star” cluster. The concentration of advanced business services such as legal and financial services, insurance, real estate management and specialized design services is no doubt attributable to the location of the state’s capital city and largest metropolitan area in Region 7. Although currently the region is only weakly specialized in the Advanced Business Services cluster, the slight growth in employment (the cluster added over 350 new jobs during the study period) and specialization is encouraging because the cluster is among the key clusters that are necessary to sustain driver clusters such as Advanced Materials, Advanced Manufacturing and Chemicals in the region.

Region 7 had two clusters that fell into the “mature” category in 2003: Advanced Logistics and Biomedical / Biotechnical.

Advanced Logistics employs almost 41,000 people in the region. The region’s share of specialized employment in this cluster is over one and a half times as high as the national average. Although this degree of concentration declined slightly over the study period, this is a cluster with potential for more growth given the region’s geographic location, interstate highways, and access to the Indianapolis International airport. Within the Advanced Logistics cluster, employment is most concentrated in air transportation and support activities for air transportation (due to the presence of the Indianapolis International Airport), general freight trucking and freight transportation arrangement, and warehousing and storage.

The Biomedical / Biotechnical business cluster has a strong presence in Region 7. In terms of employment, this cluster leads the other 13 clusters in the region providing over 118,600 jobs in the region (that is 14.1 percent of all jobs in Region 7). Its specialization within this field has decreased slightly between 2001 and 2003, but that level remains above the national average. During the same period Region 7’s employment in Biomedical / Biotechnical increased by almost 4,800 jobs. Because of the significant number of companies specializing in Research and Development, the presence of a major research university in the region, along with the aging of the Baby Boom generation, this cluster has the potential to be an increasing part of the region’s economic foundation, even though it has declined slightly in concentration in the last three years. Industries with the highest locational concentrations of employment in Region 7’s Biomedical/Biotechnical cluster include surgical and medical instrument manufacturing; medical and diagnostic laboratories; blood and organ banks; general medical and surgical hospitals; hazardous
waste treatment and disposal; medical and ophthalmic goods wholesalers; and pharmaceutical preparations.

Six of the business and industry clusters that were studied for Region 7 fell into the “emerging” category in 2003: Information, Communications and Media, The Arts, Entertainment, Recreation and Visitor Industries, Forest and Wood Products, Information Technology, Environmental Technology, and Earth Products. “Emerging” clusters and industries present targets of opportunity for future development, as they are currently increasing in strength and importance in the local economy, even if they are not yet specialized. “Emerging” clusters and industries will have different needs than those that are “Stars” or “Mature.”

- The Arts, Entertainment, Recreation and Visitor Industries cluster employs over 25,300 people in Region 7. During the period 2001 to 2003, employment in this cluster decreased but the cluster is expected to make gains in employment as the region continues to establish itself as a venue for motor sports.

- Forest and Wood Products employs almost 15,000 people in the region. Although the cluster’s industries are declining nationally, in Region 7 the cluster has grown in concentration and employment from 2001-2003, with the major part of growth coming from increases in employment in Home Centers and wood pallet and container manufacturing.

- During the study period, the Information Technology cluster lost almost 2,700 jobs, however the cluster increased in the level of specialization due to even bigger declines in Information Technology at the national level. Information technology is an important support cluster for driver clusters such as Advanced Manufacturing, Biomedical/Biotechnical, Advanced Materials and Chemicals clusters. In Region 7, jobs in Information Technology are also comparatively high paying, even though the average per capita payroll wage is only 82 percent of the average US per capita payroll wage for this cluster.

The two “transforming” clusters in Region 7 showed very slight declines in their degree of employment concentration over the study period. The Educational Services cluster declined by 0.1 percent, although employment in the cluster increased by 5.1 percent. This cluster is growing faster at the national level than it is in Region 7. In Region 7, while employment in junior colleges, colleges and universities increased, employment in computer training decreased by almost 46 percent. Employment in technical and trade schools also decreased overall, but some subsectors such as exam preparation and tutoring, language schools and sports and recreation instruction showed strong growth. The Agribusiness, Food Processing and Technology cluster also declined 0.1 percent in degree of employment concentration. This cluster lost over 340 jobs. As might be expected in a more urbanized region such as Region 7, this cluster’s biggest concentrations of jobs occur more on the Food Processing side than in agricultural activities. In 2003, there were high and growing concentrations of employment in subsectors including bakeries, frozen cakes and other pastries, spices and extracts and soft drinks. There were also high concentrations of employment in fruit and vegetable canning, flour milling, starch and vegetable oil manufacturing as well as corn farming. These subsectors lost employment from 2001 to 2003, however.
The average payroll wage per capita for the region in the third quarter of 2003 was $36,254. This is slightly below a 2003 average payroll wage per capita in the U.S. of $36,637. The four clusters with the highest average payroll wage per capita in Region 7 were Advanced Materials at $68,950, Chemicals at $61,224, Information Technology at $55,657, and Advanced Manufacturing at $51,815. The four clusters with the lowest average payroll wage per capita in 2003 were Advanced Logistics at $35,714, Educational Services at $35,244, Forest and Wood Products at $32,405 and Arts, Entertainment and Recreation at $25,658.

It appears that Advanced Materials, Chemicals, Advanced Manufacturing, and Advanced Business Services along with Advanced Logistics and Biomedical/Biotechnical could all play important roles in Region 7 over the next 12 years.
Region 7 Vision, Goals, and Measurements

**Region 7 Vision 2016:**
Region 7 is recognized as the Mid-America gateway to the global economy, an innovative and entrepreneurial business environment supports economic excellence and diversity, positions the region to capitalize on opportunities presented by current and emerging business clusters in an environment that enriches the daily life of all citizens.

A vision reflects the values of its residents. To achieve the vision, an effective strategy requires one or more large goals – priorities that will lead to the future. The Region 7 Advisory Council has chosen seven goals for its economic development strategy.

**Goal 1 - Create an education and technical assistance network that will enable the region's current and future businesses to increase their competitiveness in the global economy.**

**Measurements:**
An increased level of awareness and understanding of the global marketplace should result in increased business investment and in turn increased job growth. Another measurement of success in this area would be an increase in the average wage.

**Goal 2 - Strengthen the coordination and collaboration among Region 7 communities and revitalize the commitment to a regional economic development approach.**

**Measurements:**
Increasing the level of regional collaboration and coordination allows maximum use of resources. Identification of regional industry cluster/sector strengths will enable communities to collectively focus their business attraction, retention and creation efforts. If successful, the effort should result in more business establishments and an increase in job growth.

**Goal 3 - Spur a regional movement to embrace and reward innovation in existing businesses and new business creation.**

**Measurements:**
As resources and rewards are focused on creativity and innovation, success could be measured in a number of ways. One measure of success would be an increase in R&D expenditures as a percentage of total business expenditures. In the longer term a measure of success would be an increase in the number of patents held.
Goal 4 - Build an education and workforce development system that fully prepares people for employment in an ever-changing, increasingly technological global economic environment.

Measurements:

An improvement in the workforce/education environment could result in across the board increases in education levels. Success in this region would be measured by an *increase in the number of individuals with an Associate Degree, Certifications, or at least a Bachelor’s Degree.*

Goal 5 - Create collaborative relationships between government and the private sector to help streamline regulatory processes and maximize the effectiveness of government services.

Measurements:

The success of collaborative efforts by the public and private sector to improve the business climate can also be measured by *increases in business establishments* and an overall *increase in job growth.*

Goal 6 - Develop the infrastructure necessary for businesses to maintain a competitive advantage in the national and global marketplace.

Measurements:

A more advanced infrastructure, physical or technological should result in an *increase in new business establishments, increased job growth* and the possibility of more technology-based jobs that could result in an *increase in average wage.*

Goal 7 - Develop a region-wide quality of life that appeals to the new economy worker and enriches the lives of current and future residents.

Measurements:

If quality of life manifests itself in an enhanced lifestyle for new young professionals one measure of success would be an *increase in the percentage of individuals over 25 years old with advanced degrees.* Whether attracted or retained the result would be an overall *increase in population.*
Drivers, Goals and Objectives

Driver 1: Globalization

In the new economy, regions will be successful to the extent they are participating in the socio-economic forces that make up the global economy.

Goal One: Create an education and technical assistance network that will enable the region’s current and future businesses to increase their competitiveness in the global economy.

2005 Action Items

1. Maintain a steady and easily accessible, flow of technical information pertinent to businesses operating in the global marketplace: quality standards, environmental issues, technicalities of exporting, best practices of international competitors etc. Delivery systems may include:
   ▪ State or regional website
   ▪ Electronic newsletter
2. With the input of successful global company leaders, develop a series of ‘Competing in the Global Marketplace’ workshops and training sessions
3. Identify businesses that are fully engaged in the international marketplace and recruit a cadre of their executives who would agree to serve as mentors to companies newly entering the global arena

Long-term Directions

4. Position Region 7 as a preferred location for foreign-owned businesses and other international entities that seek a location in the Midwest
5. Expand business retention, expansion and creation efforts to incorporate a focus on the opportunities available in the international marketplace
6. Create an environment that offers a diversity of civic lifestyles, and embraces all cultures and nationalities
**Driver 2: Regional Thinking**

In a global economy every community is dependent upon other communities in its multi-county region for labor and other resources. Economies are regional and communities can benefit greatly by thinking beyond political boundaries and building coalitions tailored to address specific development issues. Communities will succeed to the extent that they understand their regional economy and the economic development opportunities it offers to each locality.

**Goal Two:** Strengthen the coordination and collaboration among Region 7 communities and revitalize the commitment to a regional economic development approach.

**2005 Action Items**

1. Continue to review business development targets to incorporate new research and the identification of new business clusters
2. Maintain and fully support the Indy Partnership and the regional economic development marketing strategy
3. Regularly convene public and private sector leaders from across the region to identify opportunities for regional development collaborations and approaches to overcoming regional challenges

**Long-term Directions**

4. Lead the effort to set public policy that provides an incentive to act regionally, through the creation of a multi-county, revenue sharing mechanism that will encourage the development of infrastructure and business activity at the regional level
5. Maintain a geographically, flexible definition of ‘region’ through ongoing communications with contiguous counties and regions to facilitate mutually beneficial development of inter-regional cluster strengths including life sciences and advanced logistics
**Driver 3: Business Innovation**

In the new economy, successful businesses are characterized by continuous innovation and creation.

**Goal Three:** Spur a regional movement to embrace and reward innovation in existing businesses and new business creation.

**2005 Action Items**

1. Support the efforts of the Indy Partnership to target the motor sports cluster with its identified linkages to advanced manufacturing, high-technology and life sciences
2. Encourage the continued growth of business/university relationships to take full advantage of the knowledge and resources available and to facilitate technology transfer activity
3. Improve access to technical assistance in exporting, modernization/technology applications, product/market development and business development information
4. Coordinate tourism and economic development marketing efforts by utilizing major conventions to market Indiana business development opportunities
   - Work with the Indianapolis Convention & Visitors Association (ICVA) and incoming conventions to exhibit at targeted shows and to display/distribute economic development marketing materials
   - Work with ICVA to attract conventions connected to targeted industry clusters
   Current efforts in the Life Sciences sector can be duplicated for high-tech auto manufacturing, advanced logistics, motor sports and advanced business services
5. Work with the Indy Partnership to identify possible tourism initiatives related to the motor sports industry cluster
6. Create an ombudsman function in the IDOC Regional Office to assist with permitting issues, grant applications, identification of funding sources and technical assistance programs for existing and start-up businesses
7. Seek authority for the IDOC Regional Directors that enable them to make decisions on the use of economic development incentives and to advise the state on the need for tools tailored to meet the needs of Region 7
8. Convene small business development experts and representatives of educational institutions to discuss and strengthen efforts to assist entrepreneurs and start-up companies by providing training in market identification, business planning, financing, grant writing, etc.
9. Nurture the entrepreneurial spirit in future generations of business leaders by identifying and promoting, or creating a Youth Entrepreneurship Education Initiative

**Long-term Directions**

10. Target the development of potentially fast growing and technology-based new businesses in the current and emerging regional clusters
11. Support the development of a regional incubator network anchored by strategically located Technology Parks, to enable all start-up businesses to have access to incubator space
12. Support the efforts of BioCrossroads and build upon the current life sciences strengths in biopharmaceuticals, medical devices, and the developing areas of human/animal biotechnology.

13. Review the BioCrossroads Agriculture Interim Report and the identified cluster and sub-clusters (Baking, Beverages, Canning, Dairy, Grains, Miscellaneous, Pork and Beef, Poultry and Wood Manufacturing) for possible expanded or value-added business development potential in the rural areas of the region (www.biocrossroads.com).

14. Support the efforts of the CICP and Purdue University to build advanced manufacturing capacity and expertise.

15. Partner with the Center for Automotive Research (CAR) to help position Central Indiana as the center of creativity and research for the automotive sector. Indiana is well positioned for advanced transmissions, clean burn engines, composite materials and fuel cells.

16. Expand economic opportunities and enhance community appeal by incorporating tourism as a business development strategy.

17. Maintain on-going communications between ICVA and regional Convention Visitors Bureaus (CVBs) to identify mutually beneficial development initiatives i.e. facilities expansion/growth, tourism attractions and public transportation issues.
**Driver 4: Workforce Education**

In the new economy education/skill attainment and access to continuing education and training will be among the most important factors for competitive success.

**Goal Four:** Build an education and workforce development system that fully prepares people for employment in an ever-changing, increasingly technological global economic environment.

**2005 Action Items**

1. Promote the importance of lifelong learning and advanced education as a prerequisite for participation in the knowledge-based economy
2. Fully support and encourage businesses to participate in, the programs funded by the Lilly Collaboration in Higher Education Grants and developed by the region's universities to stem the brain drain by encouraging university graduates to stay in their communities
3. Place a Workforce Investment Board representative on the Region 7 Advisory Board to facilitate discussion on the application of WorkKeys and other workforce development activities in Region 7

**Long-term Directions**

4. Develop a strong vocational education system for graduates and incumbent workers
5. Support the allocation of more resources to the Central Indiana Ivy Tech to enable them to serve the larger population and form the foundation for a Central Indiana Community College System
6. Encourage businesses to work more closely with the K-16 education system to facilitate the school-to-work process for those students not currently planning to attend university
7. Increase opportunities for middle and high-school students to obtain higher-education credits and accelerate the process of obtaining an associates degree or specific job certification
8. Convene local economic development professionals and interested Advisory Board members to explore the feasibility of conducting a young talent recruitment initiative
Driver 5: Smart Government

Successful governments in the new economy will be characterized by innovative solutions to problems, customer focus and high levels of accountability. New economy challenges for government at all levels include:

- Collaborating regionally for the mutual benefit of all localities
- Balancing tax revenue environment with timely investments in public services, infrastructure and education

Goal Five: Create collaborative relationships between government and the private sector to help streamline regulatory processes and maximize the effectiveness of government services.

2005 Action Items

1. Help local elected officials play a more active and informed role in economic development by partnering with the Indiana Association of Cities and Towns and Association of Indiana Counties and/or organizing a series of regional mini-workshops focusing on key community and economic development issues:
   - ED financing (Special taxing districts, Local Option Taxes, Tax Abatement
   - Land Use Planning and Economic Development Strategic Planning
   - Government efficiency and effectiveness through collaboration, restructuring and/or use of technology

Long-term Directions

2. Work with government offices to streamline the permitting and regulatory process through the local, state and federal level
3. Distribute a quarterly, e-mail Economic Development Update to share the latest economic development related information with local elected officials and business leaders, including:
   - New or pending legislation
   - Successful applications of economic development tools in other communities or states
   - The latest economic development issues
**Driver 6: Infrastructure**

Each region must have adequate infrastructure that will enable it to compete. Every community must create a strategy to develop those assets. Infrastructure categories include: broadband telecommunications, water, sewer, power, and transportation.

**Goal Six:** Develop the infrastructure necessary to support and maintain a competitive advantage in the national and worldwide market.

**2005 Action Items**

1. Bring together technical experts, IDOC staff and Advisory Board members to initiate the development of a state-of-the-art region wide telecommunications model
2. Form a Task Force to identify the status of land use planning in each Region 7 county, with a goal of creating a composite 'map' of areas available for development across the region

**Long-term Directions**

3. Support the current efforts of the Regional Transportation Authority to develop the capability to do region-wide transportation planning to include:
   - Highways
   - Airports
   - High-speed rail
   - Commuter transit
   - Freight terminals

4. Connect representatives of the Indianapolis MPO, POLIS and the State GIS Office to explore the creation of a regional GIS to facilitate the integration of all infrastructure systems - functionally and geographically
Driver 7: Quality of Life

In the new economy people increasingly want to live in places that are safe and attractive and that have high levels of educational, cultural, and recreational assets. Communities rich with technology-based businesses also offer an amenity rich environment that embraces diversity.

Goal Seven: Develop a region-wide quality of life that appeals to the new economy worker and enriches the lives of current and future residents.

1. Develop a better understanding of new immigrant cultures
   - Bring together representatives of the various nationalities and cultural groups to identify mechanisms for improving communication and understanding
2. Promote the economic and quality of life benefits of land use planning
3. Encourage utilization of existing infrastructure by promoting redevelopment of existing sites and buildings
4. Support the Indianapolis arts and culture strategy and extend where applicable across the region
5. Convene a forum of liberal arts universities to identify opportunities for faculty/student/community initiatives addressing social/quality of life issues- an essential component of economic development

Long-term Directions

6. Create a physical, social, recreational environment desired by all citizens and the identified creative class
7. Promote the development of greenways and trails throughout the region
Appendix 1

Region 7 SWOT: Strengths, Weaknesses, Opportunities and Threats Analysis

Introduction

The Region 7 Advisory Council developed a set of issues based upon an extended discussion of the region's economic strengths, weaknesses, opportunities and threats.

Strengths

1. The region's central location is an asset
2. The interstate and other four-lane highways provide a competitive advantage
3. Access to air travel is a strength because of the Indianapolis International Airport
4. The region has a wealth of higher education assets
5. Each county has an economic development organization, and the region is served by the Greater Indianapolis Partnership
6. Cost of living in the region is lower than the U.S. average
7. The region's sports cluster is an economic asset
8. The region offers world-class health care
9. Indianapolis offers urban amenities such as professional sports, culture, and recreation in its downtown
10. There is a strong and growing arts sector
11. Civic and political leadership has helped revive the City of Indianapolis and helped to rethink the region
12. The region has a history of volunteerism
13. There is a new generation of leaders emerging in the region, some of it from the service and governmental sector such as hospitals and universities
14. The region has been innovative in its approach to smart government
15. The region's housing has variety and is affordable
16. The region has significant industrial and commercial office space to offer
17. There is a high sense of security in our communities, relative to that of the costs

Weaknesses

1. The region tends to be risk averse
2. There is a culture clash between businesses and government
3. The region needs stronger political leadership
4. There are no direct international passenger flights
5. Daylight savings time continues to be a controversy
6. There is no regional public transit
7. We lack a consistent vehicle for training LEO's
8. The level of our workforce's education could be improved
9. We have relatively high health costs
10. We have too few corporate headquarters
11. Some corporate leaders have been slow to embrace an entrepreneurial culture
12. We lack mechanisms for regional political leaders to work together
13. We have an external perception that we are a “beige” state, ordinary, “humble”

**Opportunities**

1. Local educational resources can educate local governments to better understand potential for economic development
2. We can strengthen the region’s economy
3. We should marry entrepreneurial opportunities with technology
4. There is a demand for bio-science-related products
5. We can develop new tourism attractions
6. The new immigrant workforce must be integrated into English-speaking culture
7. Foreign markets must be promoted for our goods and services
8. Life sciences-entrepreneurs should be leading the development of the regional economy
9. Improving our recreational opportunities (such as auto sports, Indiana Sports Corporation, etc.) will result in attracting more residents
10. We need to increase the transfer of our manufacturing skills and work ethic to bio-science
11. Ivy Tech has the potential to develop into a real Community College system, with more campuses

**Threats**

1. The Region’s Ivy Tech requires additional appropriations from State Government
2. There could be further erosion of region’s service and manufacturing base due to globalization
3. Indiana’s fatalistic culture assumes that we have no control over our destiny
4. The region faces potential non-attainment status for environmental compliance
5. Intraregional travel from airport can be costly
6. The region’s brain drain of university graduates to good jobs outside the region might continue
7. Tougher federal regulations for international students and workers might make it more difficult for the region’s colleges and businesses to bring in the best students and workers
8. Failure to understand new immigrant culture might slow down the region’s economic transformation
9. If we have an incorrect perception on the region’s no long being a manufacturing center, we might miss opportunities to develop new manufacturing and the new technology it will require
10. Failing to objectively analyze our best opportunities might result in less investment in the region by state government
## Appendix 2

### Region 7 Economic Development – Planning Meetings 2004

<table>
<thead>
<tr>
<th>Planning Session 1</th>
<th>July 27, 2004</th>
<th>Wabash Valley Power Association, Indianapolis, Indiana</th>
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<tr>
<td>Planning Session 2</td>
<td>September 15, 2004</td>
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<td>Focus Groups 1 and 2</td>
<td>October 28, 2004</td>
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<tr>
<td>Public Meeting 1</td>
<td>October 28, 2004</td>
<td>Indianapolis, Indiana</td>
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<td>Planning Session 3</td>
<td>November 1, 2004</td>
<td>Wabash Valley Power Association, Indianapolis, Indiana</td>
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### Region 7 Economic Development – Council Members and Participants

<table>
<thead>
<tr>
<th>Name</th>
<th>Organization</th>
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<tbody>
<tr>
<td>Ron Brumbarger</td>
<td>Bitwise Solutions</td>
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<tr>
<td>Katie Culp</td>
<td>Indy Partnership</td>
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<tr>
<td>Randy Jaunzemis</td>
<td>The Guitar Center</td>
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<tr>
<td>Melina Kennedy</td>
<td>City of Indianapolis</td>
</tr>
<tr>
<td>Mary Montgomery</td>
<td>Ivy Tech – Indianapolis</td>
</tr>
<tr>
<td>Carolyn Brown</td>
<td>Indianapolis Private Industry Council, Inc.</td>
</tr>
<tr>
<td>Jeff Burt</td>
<td>Hamilton County Alliance</td>
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<tr>
<td>Matt B. Carter</td>
<td>Indianapolis Convention &amp; Visitors Assoc.</td>
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<tr>
<td>Jeb Conrad</td>
<td>Indy Partnership</td>
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<tr>
<td>Kristie Fessel</td>
<td>Boone County Economic Dev. Corp.</td>
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<tr>
<td>Elaine Fisher</td>
<td>Ball State University</td>
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<tr>
<td>Scott Fulford</td>
<td>Region 7 Office</td>
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<tr>
<td>Dave Griffiths</td>
<td>Citizens Gas &amp; Coke Utility</td>
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<tr>
<td>Harold Gutzwiller</td>
<td>Hendricks County Economic Dev. Prtnrshp</td>
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<tr>
<td>Gordan Hendry</td>
<td>City of Indianapolis</td>
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<tr>
<td>Mary K. Huggard</td>
<td>Indianapolis Convention &amp; Visitors Assoc.</td>
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<tr>
<td>Helen Humes</td>
<td>Morgan County Economic Dev. Corp.</td>
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<tr>
<td>Chris Kinnett</td>
<td>Johnson County Dev. Corp.</td>
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<tr>
<td>Lisa Leventhal</td>
<td>Region 7 Office</td>
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<tr>
<td>Lee Lewellen</td>
<td>Central Indiana Corporate Prtnrshp</td>
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<tr>
<td>Dennis Maloy</td>
<td>Hancock Economic Dev. Council</td>
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<tr>
<td>Jeff Mercer</td>
<td>Franklin College</td>
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<tr>
<td>Cheryl Morpew</td>
<td>Region 7 Office</td>
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<tr>
<td>Kathy Noland</td>
<td>Indiana Department of Commerce</td>
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<tr>
<td>Bill Petranoff</td>
<td>Cinergy/PSI</td>
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<tr>
<td>Thayer Richie</td>
<td>Strategic Development Group</td>
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<tr>
<td>Sherry Rose</td>
<td>Wabash Valley Power Association, Inc.</td>
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<tr>
<td>Greg Schenkel</td>
<td>Indy Partnership</td>
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<td>Dan Theobald</td>
<td>Shelby County Dev. Corp.</td>
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<tr>
<td>Jason Tolliver</td>
<td>Indianapolis Power &amp; Light Company</td>
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<tr>
<td>Larry Vaughan</td>
<td>Beacon Business Exchange, Inc.</td>
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<tr>
<td>Patrick Vercauteren</td>
<td>Ivy Tech – Indianapolis</td>
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<tr>
<td>Terri Austin</td>
<td>Anderson University(State ILEP)</td>
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<tr>
<td>Steve Beck</td>
<td>Indiana Venture Center</td>
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<tr>
<td>Carol D’Amico</td>
<td>Ivy Tech – Indianapolis</td>
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<tr>
<td>John Hagen</td>
<td>Corporation for Economic Development</td>
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<tr>
<td>Charles Henderson</td>
<td>City of Greenwood</td>
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<tr>
<td>Ron Keeping</td>
<td>Vectren Corporation</td>
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<tr>
<td>Wade Lang</td>
<td>Indiana Health Industry Forum</td>
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<tr>
<td>Mark Long</td>
<td>IU ETC</td>
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Tourism Focus Group

Jamie Bohler          Hendricks County Convention & Visitors Bureau
Amy Vaughan, Executive Director    Hamilton Co. Convention & Visitors Bureau
Mary Huggard    Indianapolis Convention & Visitors Association
Matt Carter          Indianapolis Convention & Visitors Association
Bill Stanton        Hilton Hotel - Indianapolis
Peggy Bowman            White River State Park
Bill Stinson    Indiana State Fair
Pat Dooley          BAA
Bill Benner         Indiana Sports Corporation
Lynn Fuller            Indiana Department of Commerce
Jane Rulon          Indiana Film Commission
Jeff Bronin          Schaket Hotels

Education Focus Group

Amy Conrad Warner, Interim Vice Chancellor for External Affairs    Indiana University-Purdue University
Patricia Dolly, Exec. Dir.    Indianapolis (IUPUI)
Michael Colette, VP for Enrollment Mgmt & Information Systems    Ivy Tech State College-Anderson & Community College of Indiana
Bobby Fong, President         Anderson University
Jeff Mercer     Butler University
Deb Lawrence, Special Asst to President for Community Engagement    Franklin College
David W. Wantz, VP for Student Affairs and Local Gov't Relations    Marian College
James Horner, Director    University of Indianapolis
Scott Fulford    ITT Technical Institute
Lisa Leventhal    Region 7 Office
Cheryl Morpew    Region 7 Office

LEDO/Industry Focus Group

Jeff Burt            Hamilton County Alliance
Kristie Fessel    Boone County Economic Dev. Corp.
Gerry Cummings, General Mgr    Time Warner Group - Lebanon
Katie Richman    Time Warner Group - Lebanon
Alicia Fisher, Office Mgr    Time Warner Group - Lebanon
Elaine Fisher    Ball State University
Scott Fulford    Region 7 Office
Harold Gutzwiller    Hendricks County Economic Dev.
Partners in the Region 7 Planning Team

- Mary Starkey, Partnership, Corporation for Economic Development
- Helen Humes, Morgan County Economic Dev. Corp.
- Jack Dearth, HR Director, TOA
- Steve Overton, Overton & Sons
- Chris Kinnett, Johnson County Dev. Corp.
- Lisa Leventhal, Region 7 Office
- Dennis Maloy, Hancock Economic Dev. Council
- Aaron Pietras, Quality Mgr., Prefered Sourcing
- Fred Baughman, Mgr Economic Dev., Central Indiana Power
- Cheryl Morphew, Region 7 Office
- Kathy Noland, Indiana Department of Commerce
- Thayer Richey, Strategic Development Group
- Dan Theobald, Shelby County Dev. Corp.
- Jason Tolliver, Indianapolis Power & Light Company
About Elaine Fisher and the Ball State University Center Economic and Community Development

Elaine Fisher has been the director of the Center since 1993. The Center conducts the Indiana Economic Development Course (EDC), one of 19 such programs offered nationally and accredited by the International Economic Development Council (IEDC). The Center provides customized local and regional programs and consulting services. They also compile the Toolbox Guide to Development Funds, a comprehensive listing of Indiana community & economic development funding. Elaine has received awards for her work in community strategic planning and community economic development education.

In 1999 Ms. Fisher received the inaugural Excellence in Leadership Award from the Indiana Economic Development Association. She has served on the boards of the American Economic Development Council (now International Economic Development Council), Mid-America Economic Development Council, and Indiana Economic Development Association. She graduated Magna Cum Laude from Ball State University with a degree in Human Resources Development. She is also a graduate of the Economic Development Institute, University of Oklahoma.

The Center was established in 1984 by the Indiana General Assembly as the Indiana Economic Development Academy. The Center for Economic and Community Development is a statewide public service unit of Ball State University. The mission of the Center is to help build self-sufficient Indiana communities by increasing the knowledge and ability of development professionals, government officials, and volunteers.